

Economic Update

LMID Advisory Group Meeting

November 2, 2017

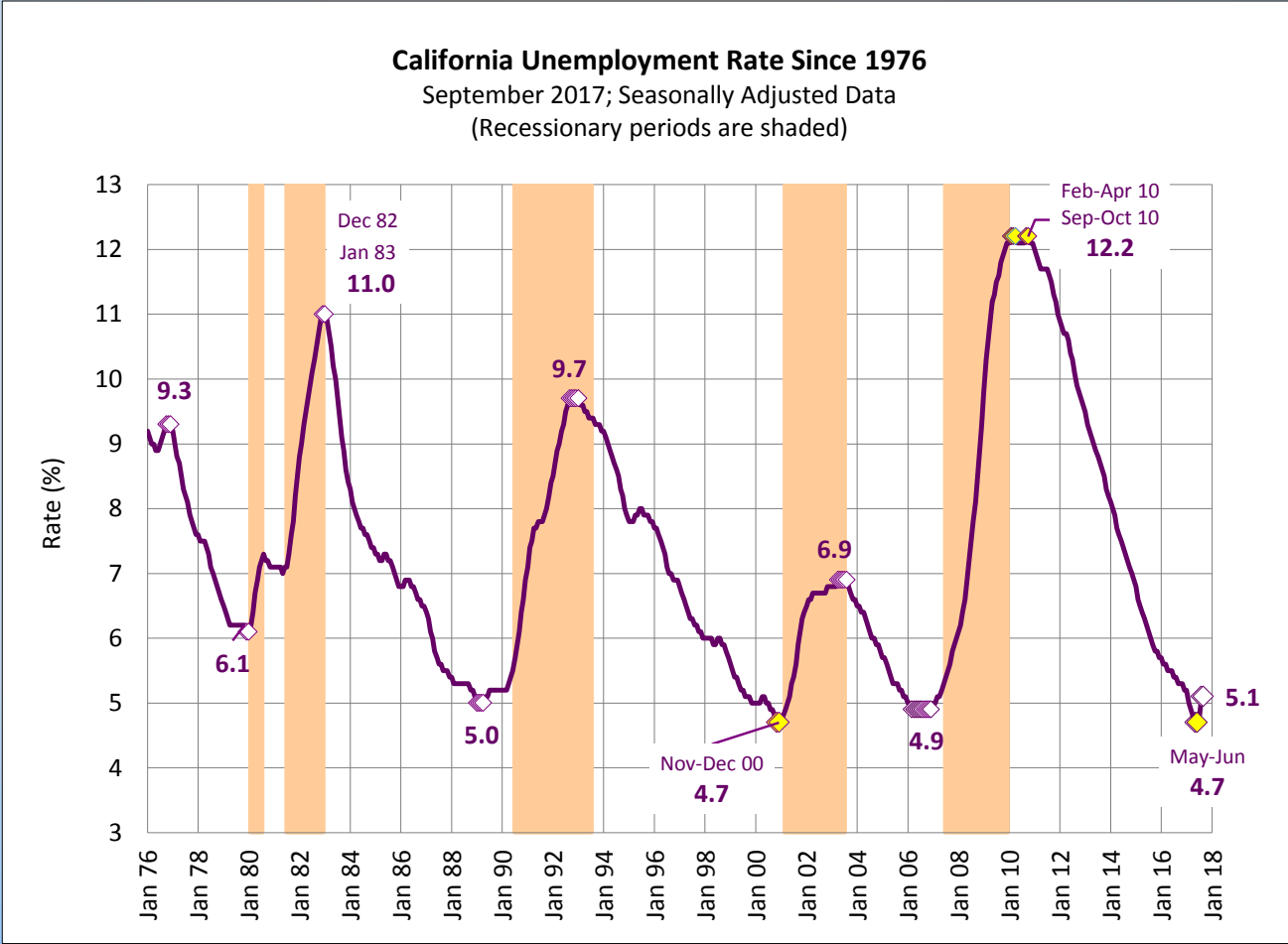
Paul Wessen

Employment Development Department

Labor Market Information Division

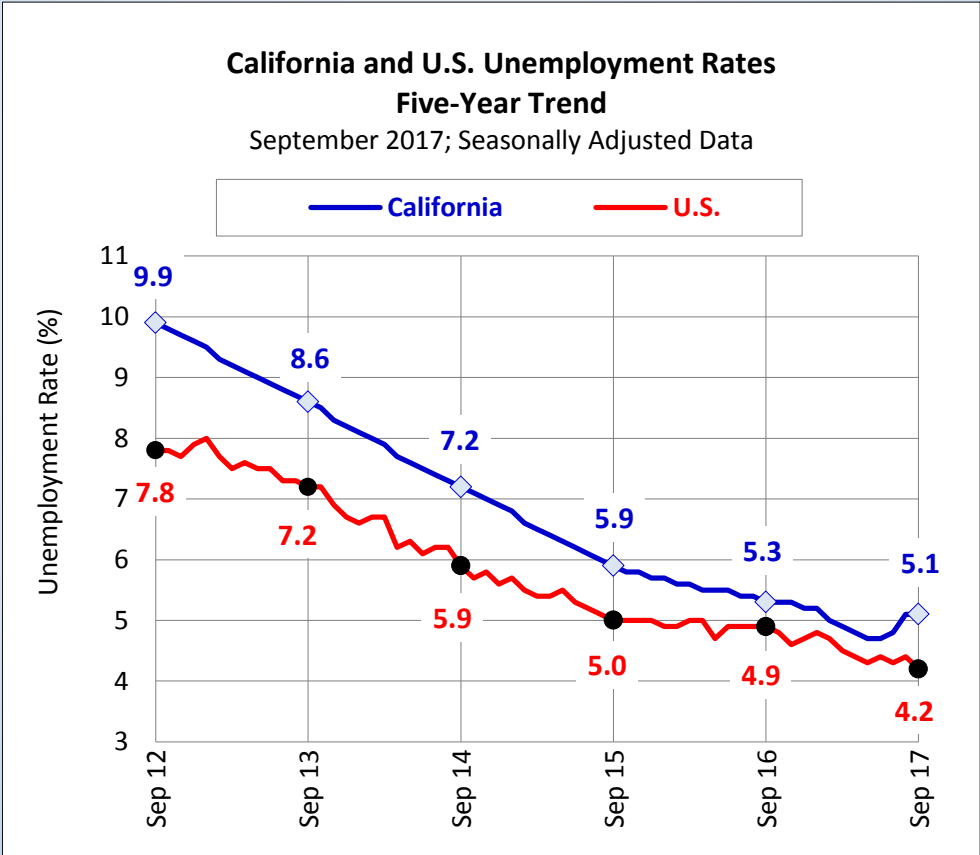
California Unemployment Rate

- California's unemployment situation has improved so much that the unemployment rate fell to 4.7 percent in May and June 2017, which matched the state's lowest unemployment rate on record in a series dating back to January 1976. Alas, the state could not sustain this low unemployment rate.



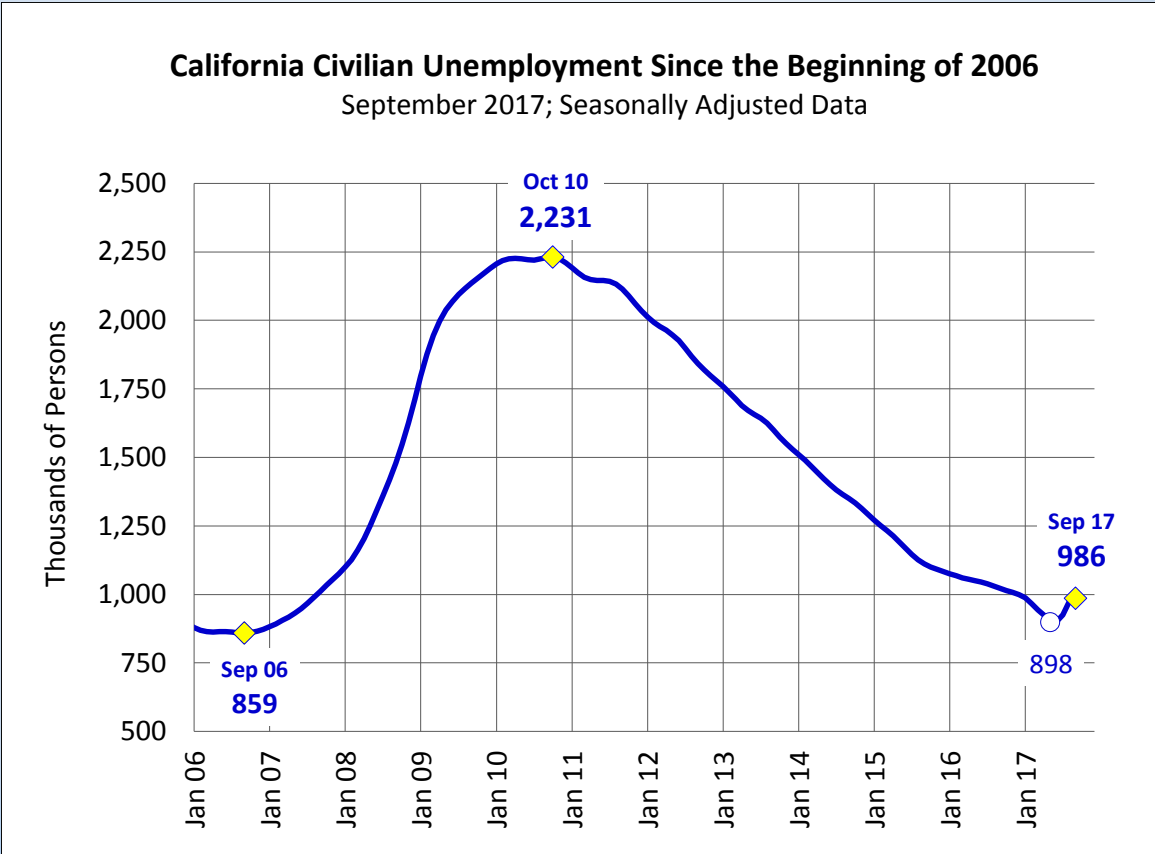
California Unemployment Rate

- California's unemployment rate rose to 5.1 percent by August 2017, and remained there in September. California's rate was just 0.2 percentage point lower than it was one year previously in September 2016. The U.S. rate fell by 0.2 percentage point to 4.2 percent in September, which is the lowest it has been since February 2001.



California Civilian Unemployment

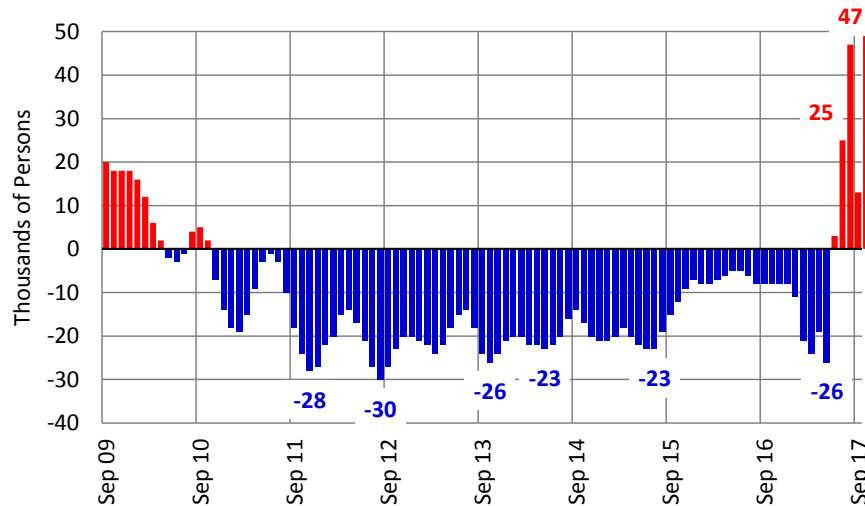
- The number of unemployed Californians rose by 13,000 persons to 986,000 in September 2017. This was the state's fourth consecutive unemployment increases, with the increase over the period totaling 88,000 persons. Prior to this, the state had experienced 78 consecutive months of decreasing unemployment.



Unusual month-over changes in key labor force statistics in recent months are difficult to interpret and muddle prevailing trend...

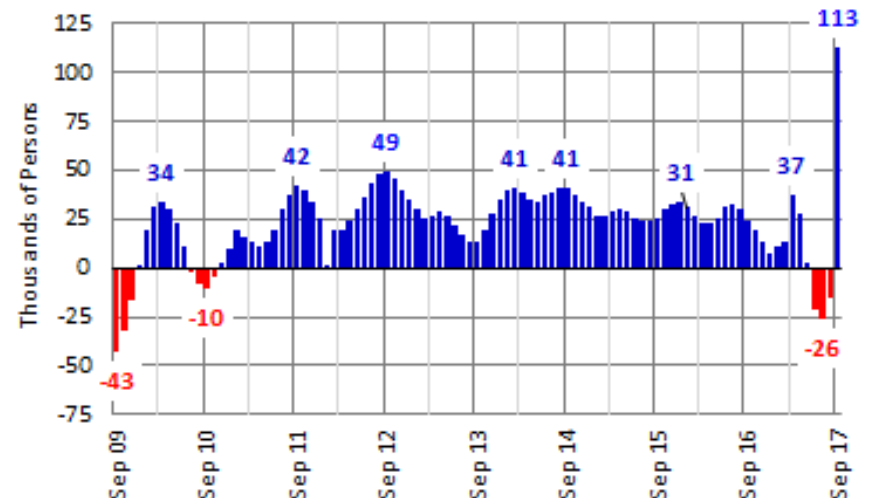
Month-Over Changes in California Civilian Unemployment Over the Last Eight Years

September 2017; Seasonally Adjusted Data



Month-Over Changes in California Civilian Employment Over the Last Eight Years

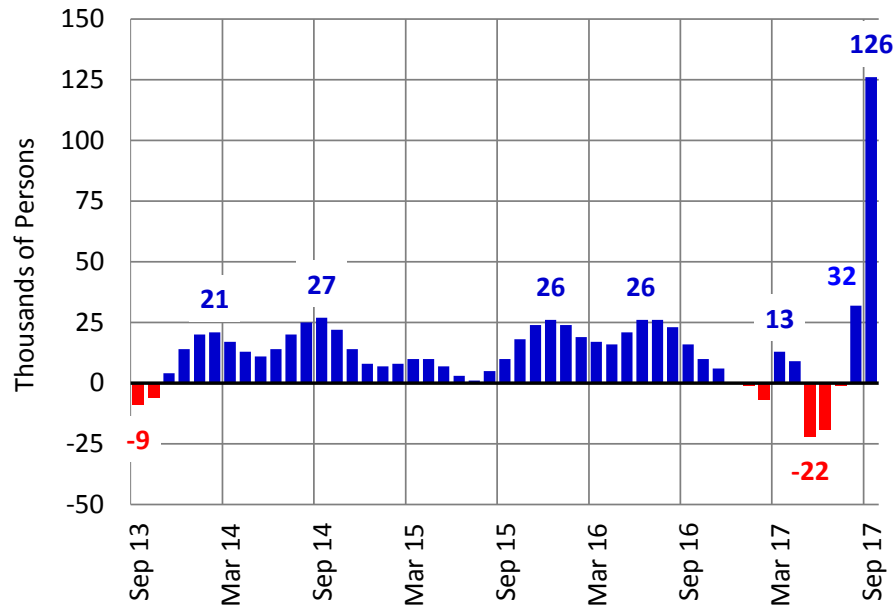
September 2017; Seasonally Adjusted Data



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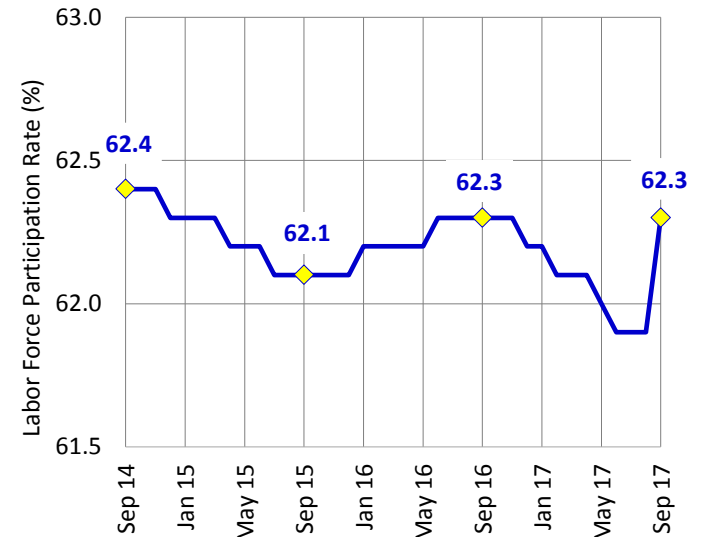
Month-Over Changes in California Labor Force

September 2017; Seasonally Adjusted Data



California Labor Force Participation Rate Over the Last Three Years

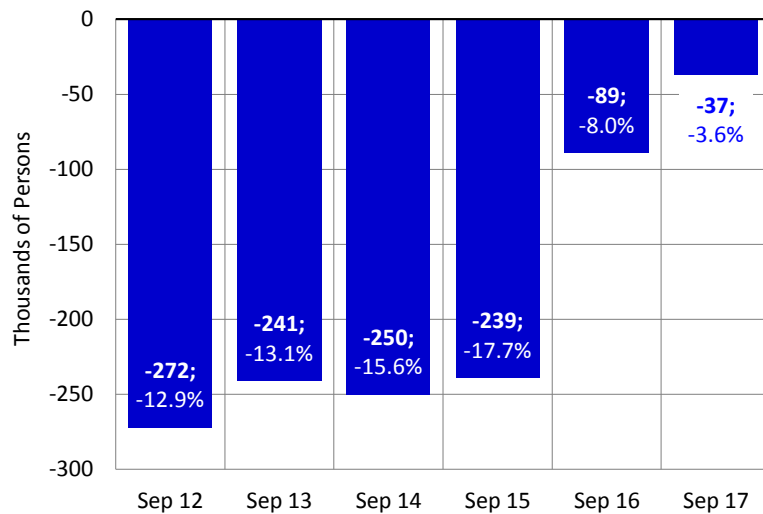
September 2017; Seasonally Adjusted Data



...but it seems clear that the rate at which civilian unemployment is falling and civilian employment is growing has moderated significantly. This is to be expected in a full employment economy.

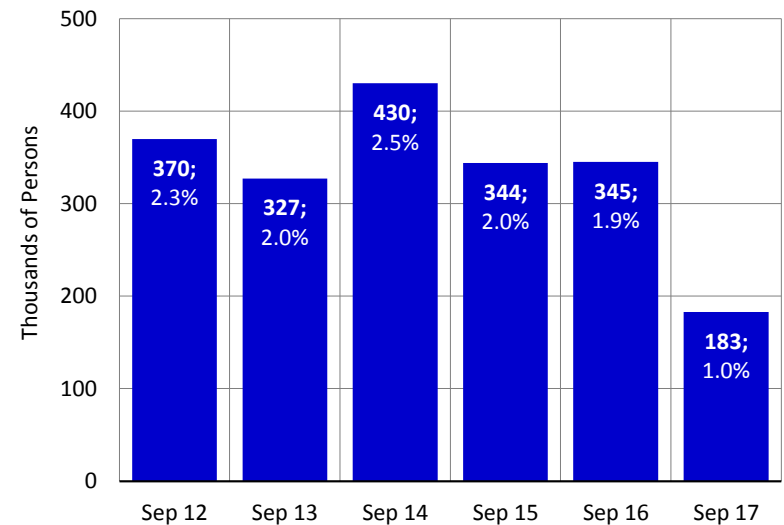
Year-Over Changes in California Civilian Unemployment

September 2017; Seasonally Adjusted Data



Year-Over Changes in California Civilian Employment

September 2017; Seasonally Adjusted Data

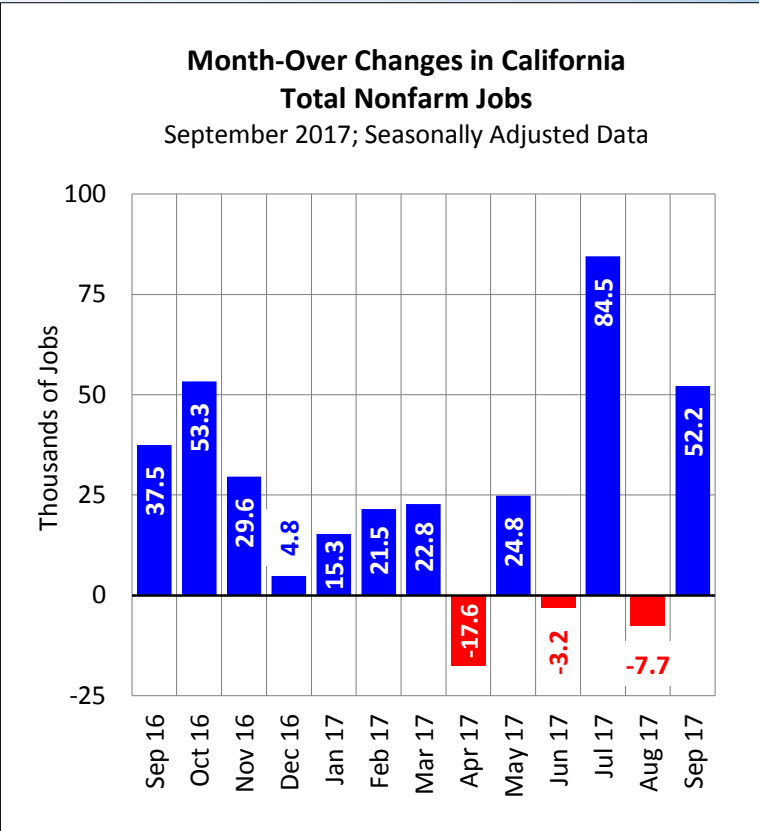
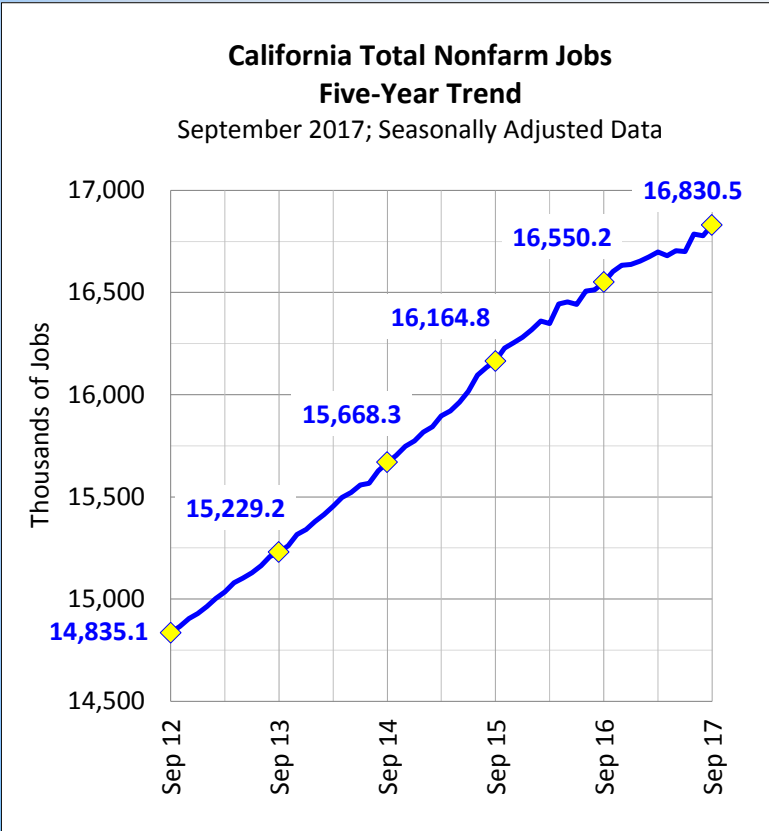


The Full Employment Economy

- The California and U.S. unemployment rates continued to hover at levels economists associate with full employment in September 2017. While there is no definitive unemployment rate that determines whether or not the economy is at full employment, most economists believe the rate in California has traditionally been around 5.0 percent, give or take a few percentage points.
- This term "full employment" does not mean that employment opportunities have dried up or that there are too few workers for jobs that are available. Rather, it is a term used by economists to describe an economy operating at full capacity and utilizing its resources effectively—including a healthy labor market in which total labor supply and demand are growing in balance.
- While full employment does not imply that all workers have found the type of work or hours they want, it does imply that, for all intents and purposes, anyone with basic skills who wants to work should be able to find opportunities to do so in the current labor market.
- According to the Conference Board's Help Wanted OnLine (HWOL) at the height of California's recession there were six or seven workers seeking work for every job that was available. Today, the ratio is less than two to one.

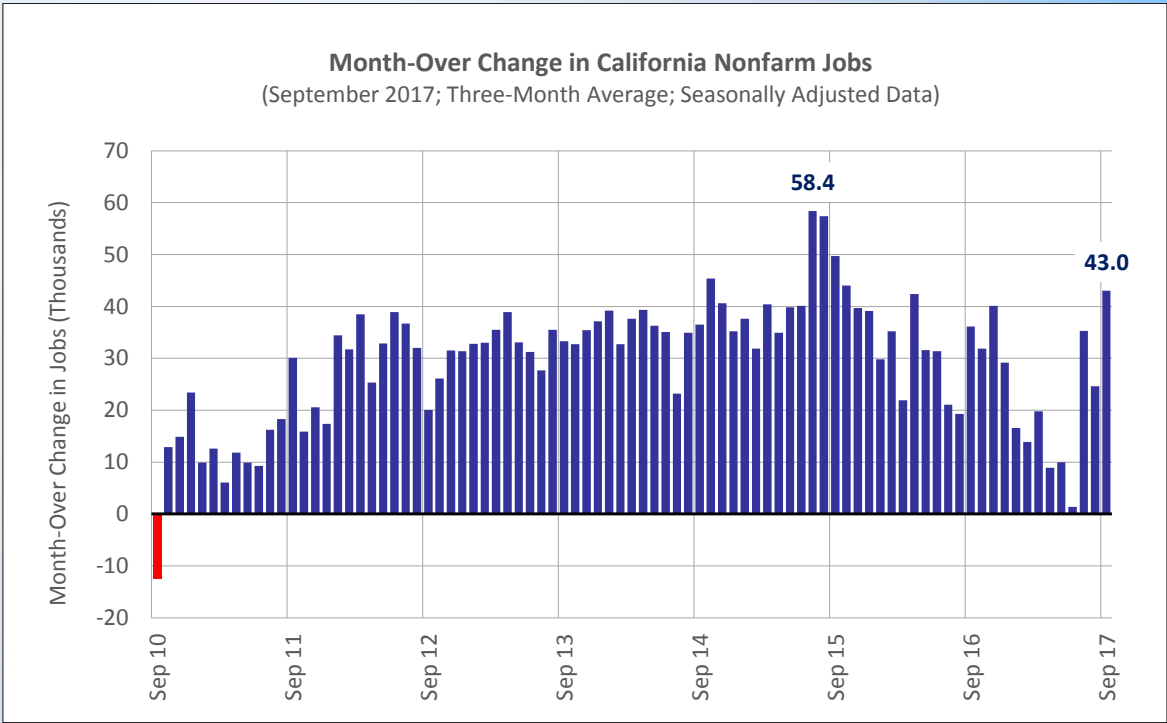
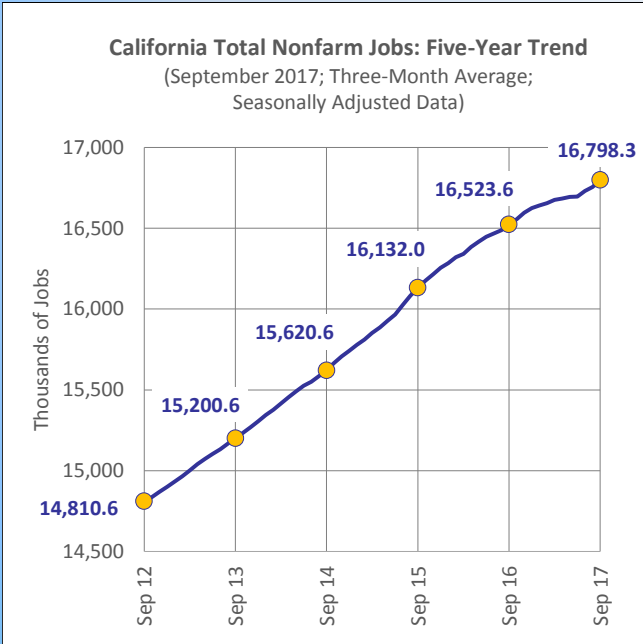
California Total Nonfarm Employment

- California gained 52,200 nonfarm jobs in September, following a 7,700-job loss in August (revised) and a very large 84,500-job increase in July. While the months with losses raised some doubts about the strength and durability of the ongoing expansion, the large July and September job gains should put any such doubts to rest.



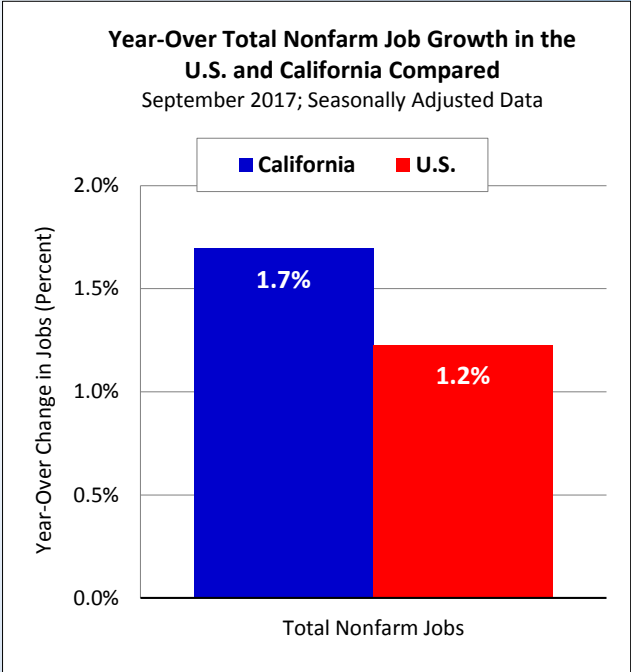
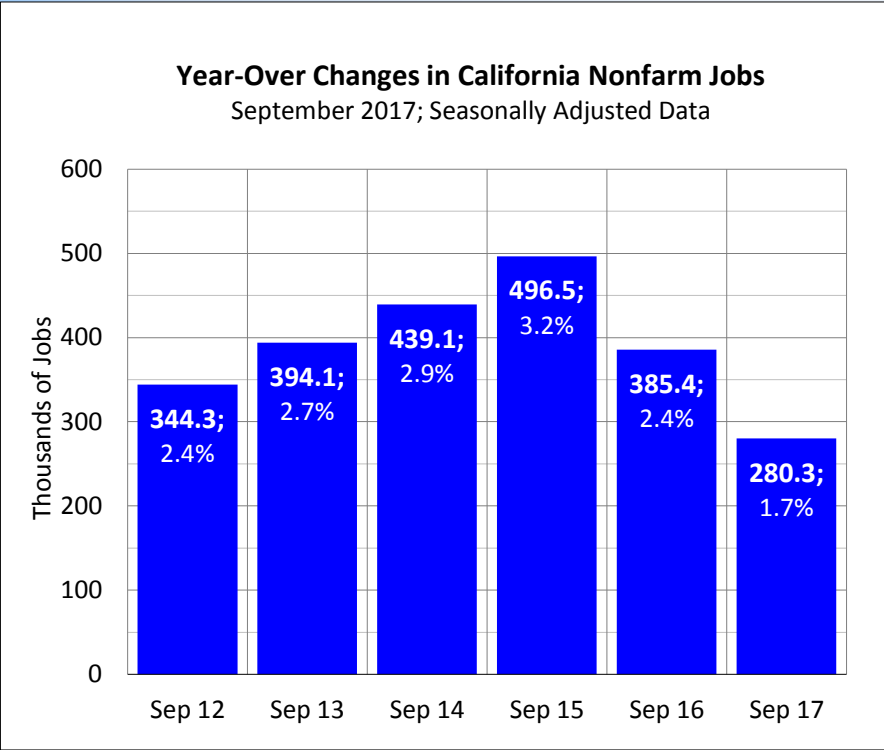
California Total Nonfarm Employment (Three-Month Average)

- Three-month averaging is a way to control for month-to-month variability in a monthly data series. On a three-month average basis, California gained 43,000 jobs in September 2017. This gain extended California’s streak of consecutive job gains to 84 months (7 years).



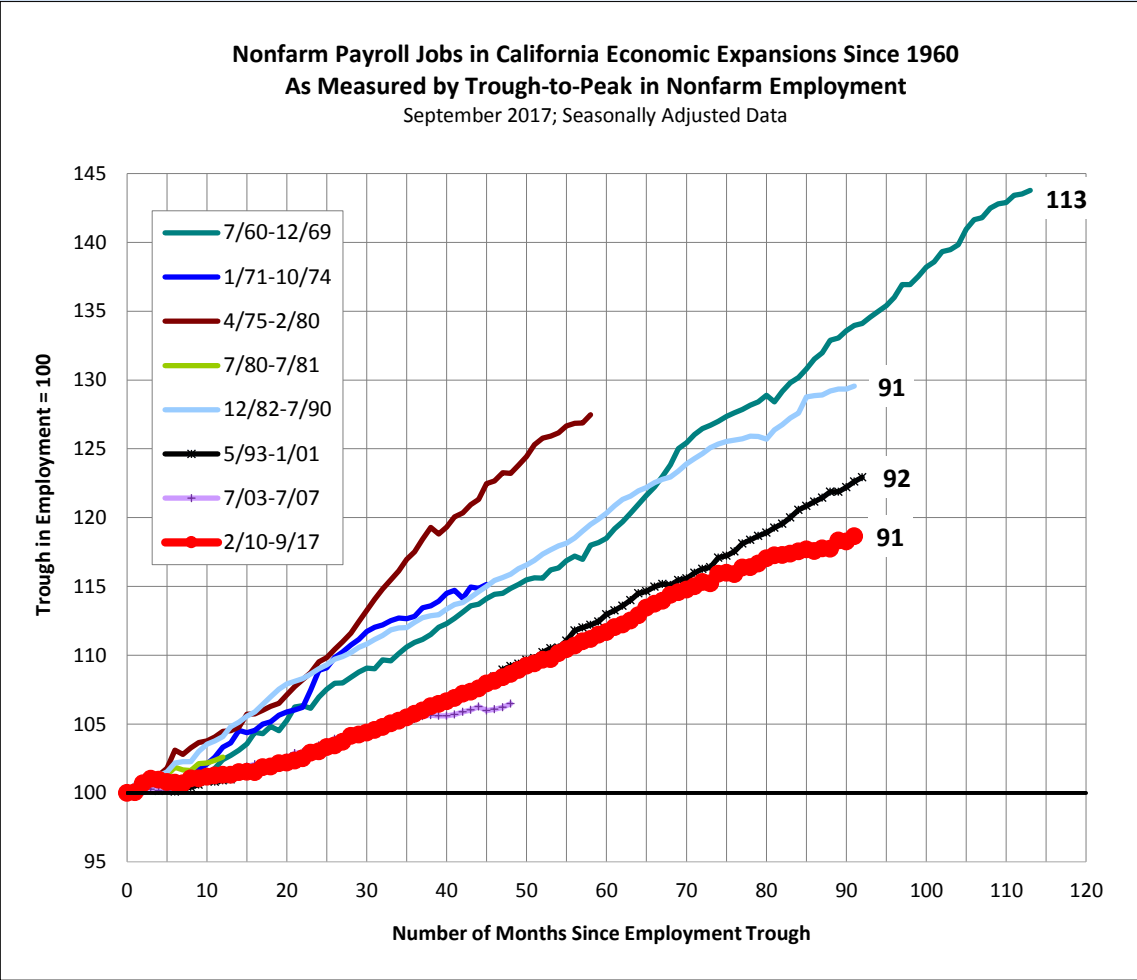
California Total Nonfarm Employment

- California gained 280,300 nonfarm jobs (1.7 percent) over the 12 months ending in September 2017. This bettered the nation's hurricane dampened, 1.2 percent year-over gain.



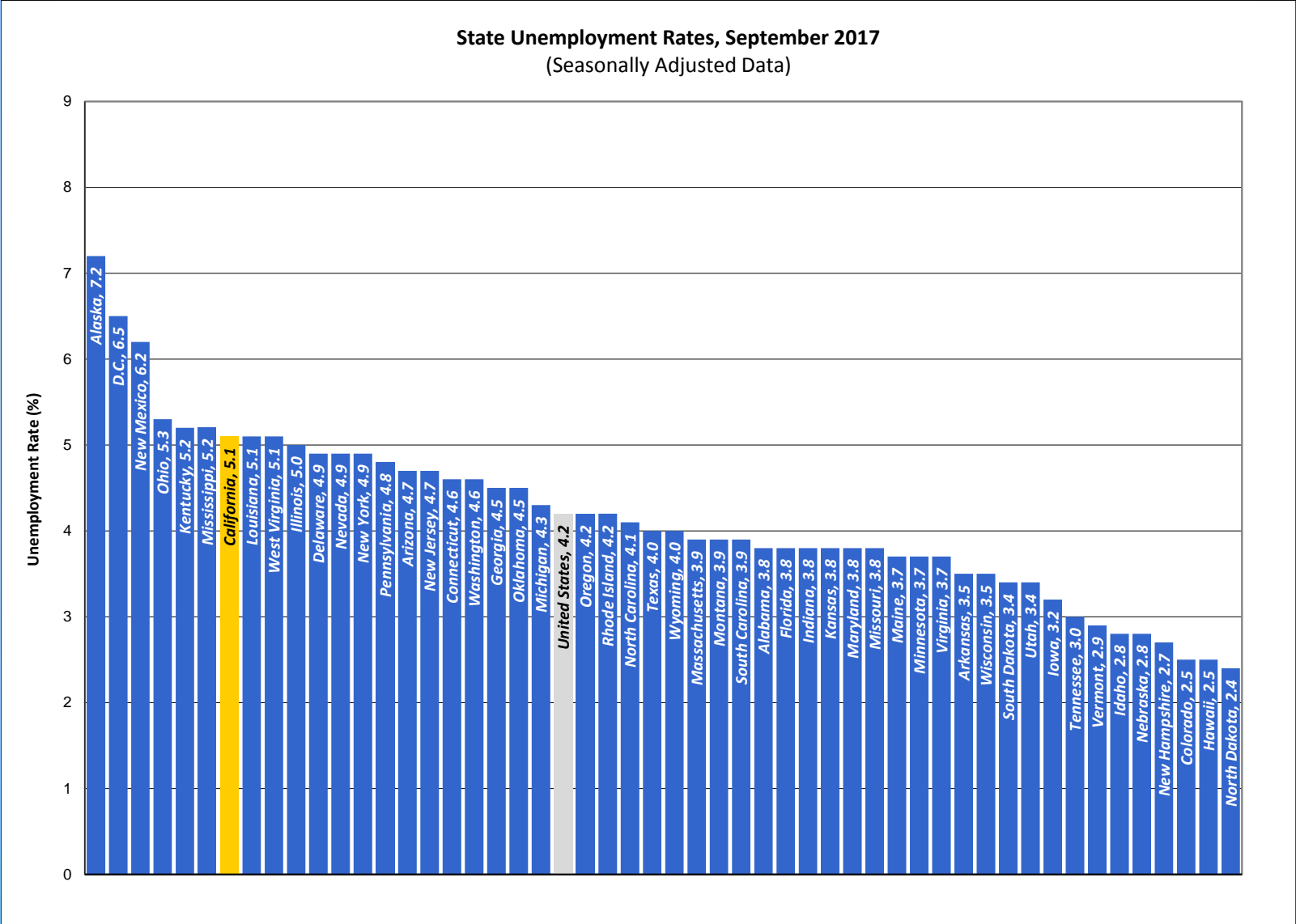
California Total Nonfarm Employment

- California’s economic expansion turned 91 months old in September, making this the state’s third longest expansion since 1960. Moreover, the current expansion shows no sign of faltering. The state gained a total of 2,643,900 nonfarm jobs from the recessionary low in February 2010 through September 2017, an increase of 18.6 percent.



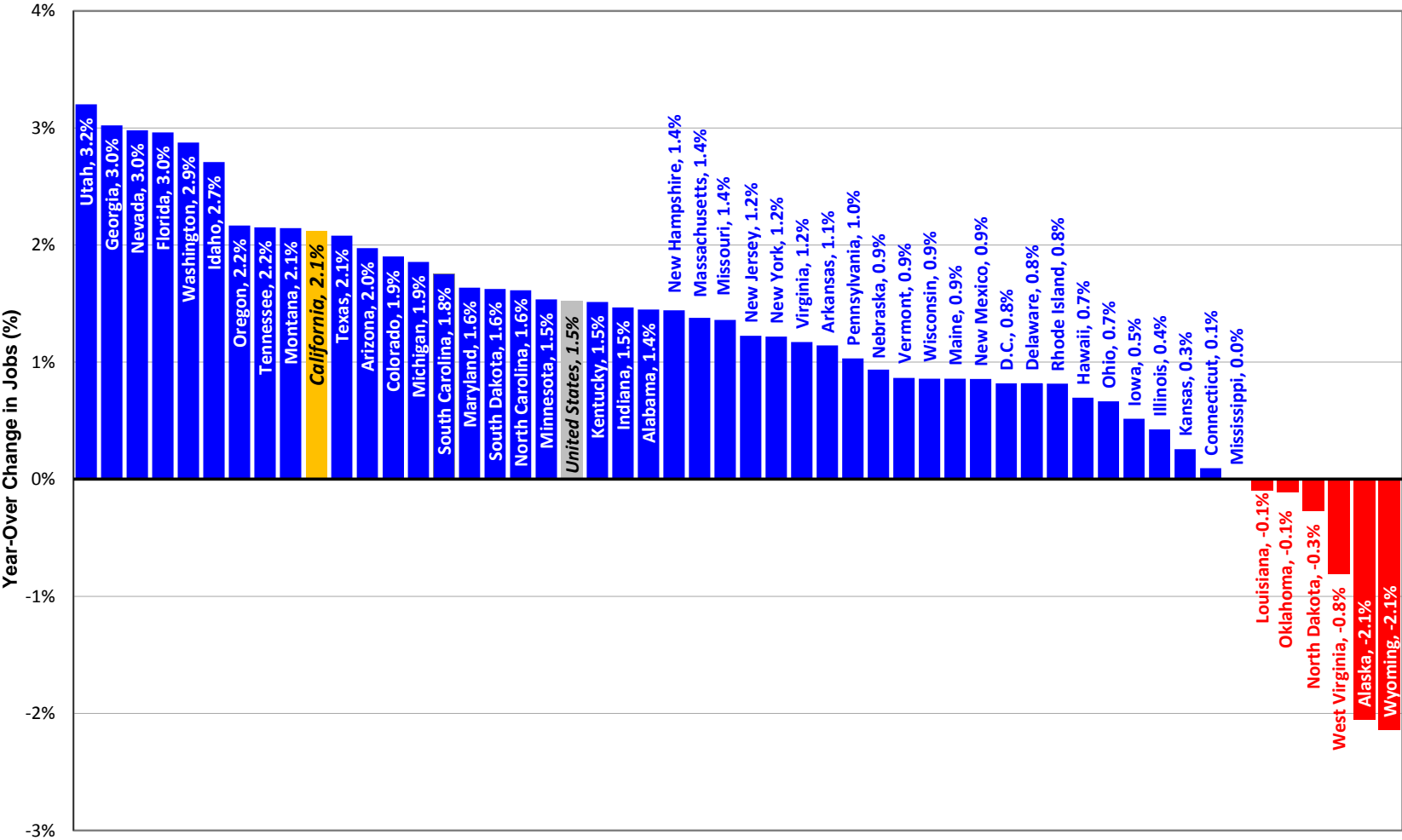
How California Compares to Other States

* California's 5.1 percent unemployment rate in September 2017 tied with Louisiana and West Virginia for fifth highest amongst states.



California's 1.7 percent rate of year-over job growth tied Massachusetts for 11th best among states.

Year-Over Percent Changes in State Nonfarm Jobs
March 2017 (Preliminary): Seasonally Adjusted Data



California As Seen Through 2016 American Community Survey (ACS) Data

- The U.S. Census Bureau released 2016 American Community Survey data for geographies larger than 65,000 people on September 17, 2017.
- The following slides will characterize California's labor market and economy using selected 2016 ACS variables. This will be done using state rankings with California shaded in blue and comparisons to the U.S. average (shaded in grey).
- Unless otherwise noted, the tables will show the highest and lowest ranked states with the U.S. average in the middle.
- It should be noted that although state rankings are viable using one-year ACS data, the statistical error associated with the estimates of less well populated states tend to be larger than that of larger states.
- Although averages are sometimes used to rank states, these averages say nothing about differences within states.

ACS 2016: Demographics

- California has a comparatively youthful population.

Average Age By State (Ranked from Low to High)	
Utah	33.0
Alaska	35.1
Texas	35.7
District of Columbia	36.5
Georgia	37.0
Idaho	37.3
California	37.4
Colorado	37.5
North Dakota	37.5
Oklahoma	37.6
United States	38.5
Delaware	40.0
Montana	40.0
Connecticut	40.1
Rhode Island	40.1
Pennsylvania	40.4
New Hampshire	41.1
West Virginia	41.1
Vermont	41.3
Florida	41.4
Maine	42.1

Children (Age 0-15) as a Share of the Total Population By State	
Utah	27.0%
Texas	23.3%
Idaho	23.2%
Alaska	22.9%
South Dakota	22.4%
Nebraska	22.2%
Oklahoma	21.9%
Kansas	21.8%
Georgia	21.6%
California	20.5%
United States	20.2%
Pennsylvania	18.4%
Connecticut	18.3%
West Virginia	18.0%
Florida	17.7%
Massachusetts	17.7%
Rhode Island	17.2%
Vermont	17.1%
New Hampshire	17.0%
Maine	16.9%
District of Columbia	16.2%

Older Workers (Age 55+) As a Share of the Total Population By State	
Maine	42.0%
West Virginia	40.6%
Vermont	40.5%
Montana	40.5%
Florida	40.2%
New Hampshire	38.9%
Delaware	38.7%
Pennsylvania	38.6%
South Dakota	37.6%
Ohio	37.5%
Michigan	37.5%
United States	35.1%
Nevada	34.4%
North Dakota	34.3%
Virginia	34.1%
Colorado	32.6%
California	32.2%
Georgia	32.0%
Texas	30.2%
Alaska	29.7%
Utah	27.4%
District of Columbia	26.1%

Retirement Age Workers (Age 65+) As a Share of the Population By State	
Florida	24.1%
Maine	23.2%
West Virginia	22.9%
Montana	22.1%
Vermont	22.0%
Delaware	21.6%
Arizona	21.3%
Pennsylvania	21.3%
Hawaii	21.2%
South Carolina	20.8%
United States	19.1%
Illinois	18.3%
Louisiana	18.3%
Maryland	18.2%
Virginia	18.2%
California	17.2%
Colorado	16.8%
Georgia	16.8%
Texas	15.7%
Utah	14.3%
District of Columbia	13.8%
Alaska	13.1%

ACS 2016: Demographics

- California is racially and ethnically diverse.
- Note: 4.2 million, or 13.5 percent, working age Californians identify as being of "some other race."

Non-Whites as a Share of the Working Age Population By State		Hispanics/Latinos As a Share of the Working Age Population		Asians as a Share of the Working Age Population By State		African Americans as a Share of the Working Age Population By State	
Hawaii	73.5%	New Mexico	45.3%	Hawaii	41.0%	District of Columbia	45.7%
District of Columbia	56.6%	Texas	35.9%	California	15.1%	Mississippi	36.6%
Maryland	42.0%	Arizona	27.5%	New Jersey	9.6%	Louisiana	31.2%
Mississippi	39.5%	Nevada	25.2%	Nevada	8.9%	Georgia	30.9%
Georgia	39.3%	Florida	23.6%	New York	8.7%	Maryland	29.5%
California	39.2%	Colorado	18.8%	Washington	8.5%	South Carolina	26.3%
Louisiana	36.1%	New Jersey	18.3%	Maryland	6.4%	Alabama	26.2%
New York	35.1%	New York	17.6%	Virginia	6.4%		
						United States	12.3%
United States	25.9%	United States	15.9%	United States	5.6%	California	5.9%
Montana	9.3%	Ohio	3.0%	Two or More Races		States With Largest African American Population (Age 16+)	
Idaho	9.2%	South Dakota	2.9%	Hawaii	20.1%	Texas	2,586,300
Iowa	8.6%	Montana	2.8%	Oklahoma	6.2%	Florida	2,567,900
Wyoming	7.1%	Kentucky	2.7%	Alaska	5.3%	Georgia	2,497,500
West Virginia	6.3%	North Dakota	2.7%	Washington	4.2%	New York	2,467,200
New Hampshire	6.0%	Mississippi	2.5%	Oregon	3.8%	California	1,833,000
Vermont	4.7%	Vermont	1.5%	Nevada	3.7%	North Carolina	1,720,000
Maine	4.4%	Maine	1.3%	California	3.6%		
		West Virginia	1.2%				

ACS 2016: Demographics

- California has a larger concentration of foreign-born residents than any other state in the nation. As such, the state is also linguistically diverse. This is true of prime working age individuals age 25 to 54).

Foreign-Born As A Share of the Working Age Population

California	33.1%
New York	27.1%
New Jersey	26.8%
Nevada	24.3%
Florida	24.0%
Hawaii	21.4%
Texas	20.9%
Massachusetts	19.1%
Maryland	18.0%
United States	16.2%

Wyoming	4.2%
Maine	4.1%
South Dakota	3.9%
Kentucky	3.9%
Alabama	3.9%
North Dakota	3.7%
Montana	2.6%
Mississippi	2.4%
West Virginia	2.0%

Share of Working Age Population That Speaks A Language Other Than English At Home

California	44.7%
New Mexico	35.7%
Texas	35.6%
New Jersey	31.9%
New York	31.0%
Nevada	30.2%
Florida	28.8%
Hawaii	27.3%
United States	21.4%

Working Age Individuals That Speak English Less Than Very Well (Percent of Total)

California	20.3%
Texas	15.0%
New York	14.7%
New Jersey	13.8%
Nevada	13.2%
Florida	13.1%
Hawaii	12.8%
Massachusetts	10.0%

Foreign-Born As A Share of the Prime Working Age Population (25-54)

California	37.8%
New Jersey	32.2%
New York	30.6%
Nevada	29.7%
Florida	27.9%
Texas	25.6%
Massachusetts	23.5%
Hawaii	23.0%
United States	19.8%

Share of Prime Working Age Persons That Speak Don't Speak English At Home

California	48.5%
Texas	39.4%
New Jersey	37.1%
New Mexico	36.2%
Nevada	34.2%
Florida	34.1%
New York	34.1%
Arizona	31.3%

Share of Children Less Than 18 Where Language Other Than English Is Spoken At Home

California	38.4%
Texas	30.8%
Nevada	29.1%
New York	27.3%
New Jersey	26.7%
New Mexico	26.5%
Arizona	25.2%
Florida	25.0%
Illinois	20.6%
United States	19.5%

ACS 2016: Educational Attainment (Age 25 and over)

- Although California has a comparatively large share of individuals with high educational attainment (B.A. or higher), it also has a high concentration of individuals with low educational attainment (never completed high school). This implies that the state's labor market has large pools of highly skilled and unskilled workers.

Share of Individuals Age 25+ Who Have Attained a Bachelor Degree Or Higher		Share With High School Diploma Or Less		Share of Individuals Age 25+ Who Have Not Completed High School		Share With More Than a B.A.	
District of Columbia	57.3%	West Virginia	53.6%	<i>California</i>	17.6%	District of Columbia	33.2%
Massachusetts	42.8%	Louisiana	49.7%	Texas	17.1%	Massachusetts	19.0%
Colorado	40.0%	Arkansas	48.6%	Mississippi	16.0%	Maryland	18.3%
Maryland	39.2%	Mississippi	46.9%	Louisiana	15.8%	Connecticut	16.7%
Connecticut	38.8%	Kentucky	46.9%	Alabama	15.1%	Virginia	16.4%
New Jersey	38.7%	Alabama	45.5%	Kentucky	14.5%	New York	15.5%
Virginia	38.1%	Indiana	45.4%	New Mexico	14.4%	Colorado	15.2%
New Hampshire	36.7%	Tennessee	45.4%	Arkansas	14.2%	New Jersey	15.1%
<i>California</i>	33.0%	<i>United States</i>	39.7%	Nevada	14.0%	<i>California</i>	12.3%
<i>United States</i>	31.3%	<i>California</i>	38.0%	<i>United States</i>	12.6%	<i>United States</i>	12.0%
Oklahoma	25.5%	Massachusetts	33.9%	Wisconsin	7.8%	Share That Never Attended High School	
Alabama	24.7%	New Hampshire	33.7%	Hawaii	7.7%	<i>California</i>	9.7%
Kentucky	23.4%	Oregon	32.7%	Montana	7.6%	Texas	8.6%
Nevada	23.4%	Minnesota	32.1%	Alaska	7.5%	New York	6.4%
Louisiana	23.3%	Washington	31.6%	Maine	7.5%	Nevada	6.2%
Arkansas	22.1%	Utah	30.9%	Minnesota	7.1%	Kentucky	5.8%
Mississippi	21.9%	Colorado	30.3%	New Hampshire	7.0%	New Mexico	5.8%
West Virginia	21.1%	District of Columbia	26.9%	Wyoming	6.8%	Arizona	5.7%
						<i>United States</i>	5.4%

ACS 2016: Work (Employed Persons Only)

- A comparatively large share of California workers work part-time (less than 35 hrs./week) or are self-employed.

Share of Workers Who Usually Worked Part-Time in 2016 (Less than 35 hours)

Utah	26.0%
Oregon	25.2%
Montana	25.0%
Maine	24.6%
Massachusetts	24.6%
Vermont	24.5%
Rhode Island	24.5%
Michigan	24.3%
Wisconsin	24.1%
California	23.1%
United States	21.6%
South Dakota	19.8%
Louisiana	19.5%
Oklahoma	19.4%
Arkansas	19.4%
Maryland	19.2%
Texas	18.4%
Mississippi	18.3%
District of Columbia	16.2%

Share of Workers Who Usually Worked 20 Hours Or Less in 2016

Utah	13.6%
Massachusetts	12.7%
Rhode Island	12.3%
Montana	12.3%
Vermont	12.1%
Iowa	12.0%
Idaho	12.0%
Hawaii	12.0%
California	10.9%
United States	10.4%
Maryland	9.2%
Oklahoma	9.2%
Louisiana	9.2%
Tennessee	9.0%
Nevada	9.0%
Arkansas	8.9%
Mississippi	8.7%
Alaska	8.4%
District of Columbia	8.4%
Texas	8.4%

Self-Employed Individuals As a Share of All Workers

Montana	8.8%
Vermont	8.7%
South Dakota	8.2%
California	8.1%
Maine	8.0%
Idaho	7.6%
Oregon	7.1%
Hawaii	6.8%
Tennessee	6.8%
Texas	6.8%
United States	6.0%
Illinois	4.8%
Michigan	4.8%
Ohio	4.7%
Virginia	4.7%
New Jersey	4.6%
West Virginia	4.6%
Indiana	4.4%
Delaware	4.3%
District of Columbia	3.9%

ACS 2016: Work (Employed Persons Only)

- The share of California workers who work in government in 2016 was about average for the nation.

Government Workers As a Share of All Workers	
Alaska	27.6%
District of Columbia	24.8%
New Mexico	22.5%
Maryland	21.3%
Wyoming	20.8%
Hawaii	20.2%
Virginia	19.9%
West Virginia	19.1%
Mississippi	17.5%
United States	13.7%
California	13.5%
Ohio	11.8%
Florida	11.7%
Minnesota	11.6%
Illinois	11.6%
Nevada	11.6%
Indiana	10.9%
Michigan	10.5%
Pennsylvania	10.0%

ACS 2016: Work (Employed Persons Only)

- It takes Californians a comparatively long time to get to work, even if folks in LA and the Bay Area are probably shocked one can get to work in 27 minutes. Although Americans overwhelmingly drive to work, a comparatively large share of Californians take public transportation or carpool.

Average Number of Minutes it Took to Get To Work		Share of Workers Who Get to Work By Car		Share That Drove Alone Among Those Who Drove to Work by Car		Share of Workers Who Got to Work by Bus, Streetcar, or Subway	
New York	31.2	Mississippi	92.7%	Ohio	91.7%	District of Columbia	34.1%
Maryland	30.7	Alabama	92.3%	Alabama	91.1%	New York	24.8%
New Jersey	29.8	Arkansas	91.3%	Iowa	90.8%	New Jersey	8.3%
District of Columbia	28.9	Oklahoma	91.2%	Indiana	90.7%	Massachusetts	8.1%
Massachusetts	27.5	Louisiana	91.0%	Connecticut	90.7%	Maryland	7.8%
Illinois	27.1	Kansas	90.5%	Wisconsin	90.6%	Illinois	7.0%
California	26.9	South Carolina	90.4%	Illinois	90.6%	Hawaii	6.7%
Virginia	26.7	Tennessee	90.1%	Michigan	90.5%	Washington	5.8%
Georgia	26.4	Indiana	89.9%	Montana	90.5%	California	4.5%
Washington	25.8					Pennsylvania	4.4%
		United States	83.7%	United States	89.4%	United States	4.4%
		California	81.5%			Share of Workers Who Work At Home	
				Nevada	88.2%	Colorado	8.0%
		Oregon	80.0%	North Dakota	88.1%	Vermont	7.3%
		Hawaii	79.7%	Washington	87.8%	Oregon	6.5%
		Illinois	79.2%	California	87.7%	New Hampshire	6.3%
		Alaska	78.4%	Arizona	87.6%	Montana	6.3%
		New Jersey	77.6%	Utah	87.1%	Arizona	6.1%
		Massachusetts	76.2%	District of Columbia	86.5%	Utah	6.0%
		New York	57.7%	Alaska	84.2%	Idaho	6.0%
		District of Columbia	38.0%	Hawaii	83.5%	California	5.7%
						United States	4.9%

ACS 2016: Health Insurance (Entire Population)

- A slightly higher share of Californians than the nation as a whole have health insurance.

States With The Highest Share of Individuals With Health Insurance in 2016 (Entire Population)	
Massachusetts	97.5%
Vermont	96.5%
Hawaii	96.4%
District of Columbia	95.9%
Iowa	95.8%
Rhode Island	95.8%
Minnesota	95.7%
Connecticut	95.2%
West Virginia	94.6%
Wisconsin	94.6%
Kentucky	94.5%
Michigan	94.4%
<i>California</i>	<i>92.5%</i>
<i>United States</i>	<i>91.1%</i>

States With The Highest Share of Uninsured Individuals in 2016 (Entire Population)	
Texas	17.2%
Alaska	14.4%
Oklahoma	14.2%
Georgia	13.4%
Florida	13.0%
Mississippi	12.6%
Nevada	11.3%
Wyoming	11.2%
Louisiana	11.0%
Idaho	10.7%
Arizona	10.6%
North Carolina	10.5%
South Carolina	10.2%

ACS 2016: Health Insurance (Entire Population)

- The ACS began collecting health insurance coverage data in 2008. California had one of the largest expansions of health care coverage among states from 2008 through 2016.

Change in Share of Those Covered BY Health Insurance from 2008 to 2016 (Entire Population)	
New Mexico	12.5%
Nevada	10.6%
<i>California</i>	<i>10.5%</i>
Montana	10.5%
Oregon	10.3%
West Virginia	10.2%
Arkansas	9.6%
Colorado	9.2%
Kentucky	8.8%
Arizona	8.6%
Florida	8.3%
<i>United States</i>	<i>6.5%</i>
Wisconsin	3.9%
District of Columbia	3.8%
Pennsylvania	3.6%
Wyoming	3.3%
South Dakota	3.1%
Hawaii	3.1%
Virginia	2.8%
Maine	2.8%
Nebraska	2.1%
Massachusetts	1.8%
North Dakota	1.8%

ACS 2016: Income-to-Poverty Ratio

- A income-to-poverty ratio of 100 identifies the poverty threshold as determined by the U.S. Census based on the size of a household. This threshold was \$11,770 for an individual and \$24,250 for a family of four in 2016.

Share of the Population With an Income-to-Poverty Ratio of 100 or Less	
Mississippi	20.2%
Louisiana	19.9%
New Mexico	19.7%
Kentucky	18.2%
District of Columbia	18.1%
West Virginia	17.9%
Alabama	17.0%
Arkansas	16.9%
Arizona	16.2%
Oklahoma	15.8%
<i>California</i>	<i>14.3%</i>
<i>United States</i>	<i>13.8%</i>
Colorado	10.7%
Alaska	10.3%
Utah	10.3%
New Jersey	10.2%
Massachusetts	10.2%
Minnesota	9.7%
Connecticut	9.3%
Maryland	9.3%
Hawaii	8.8%
New Hampshire	6.9%

Share of the Population With an Income-to-Poverty Ratio of 200 or Less	
New Mexico	40.9%
Mississippi	40.7%
Arkansas	39.7%
West Virginia	38.3%
Louisiana	38.3%
Kentucky	37.0%
Alabama	36.4%
Oklahoma	36.0%
Arizona	35.5%
Texas	35.1%
Tennessee	35.1%
<i>California</i>	<i>32.2%</i>
<i>United States</i>	<i>31.1%</i>
Virginia	24.5%
Alaska	24.4%
Minnesota	23.6%
New Jersey	23.5%
Hawaii	21.7%
Massachusetts	21.7%
Connecticut	21.3%
Maryland	21.2%
New Hampshire	19.0%

Share of the Population With an Income-to-Poverty Ratio of 500 or More	
Connecticut	41.1%
New Jersey	40.5%
Massachusetts	40.3%
District of Columbia	40.3%
Maryland	39.8%
New Hampshire	36.4%
Alaska	35.0%
Virginia	34.9%
Hawaii	33.3%
Minnesota	32.9%
Washington	32.2%
<i>California</i>	<i>29.9%</i>
<i>United States</i>	<i>27.3%</i>
Louisiana	21.2%
Alabama	21.0%
Oklahoma	20.7%
Kentucky	20.2%
Idaho	19.9%
New Mexico	19.1%
West Virginia	18.7%
Arkansas	17.9%
Mississippi	17.2%

ACS 2016: Income-to-Poverty Ratio

- The table below shows the difference between the shares of lower income persons (those with income-to-poverty ratio of 200 or less) and higher income persons (those with income-to-poverty ratios greater than 500) by state. A positive number indicates there is a larger proportion of lower income persons than higher in the population (negative = vice versa).

Difference Between the Shares of Those With an Income-to-Poverty Ratio of 200 or Less and Those With a Ratio of 500 or More	
Mississippi	23.4%
New Mexico	21.8%
Arkansas	21.7%
West Virginia	19.6%
Louisiana	17.1%
Kentucky	16.8%
Alabama	15.4%
Oklahoma	15.4%
Idaho	14.5%
United States	3.9%
California	2.4%
Minnesota	-9.3%
Virginia	-10.4%
Alaska	-10.6%
District of Columbia	-11.3%
Hawaii	-11.6%
New Jersey	-17.1%
New Hampshire	-17.4%
Maryland	-18.6%
Massachusetts	-18.7%
Connecticut	-19.8%

ACS 2016: Housing

- California has among the nation's highest priced housing. Only Hawaii had a higher average property value than California in 2016.

Average Property Value By State	
Hawaii	\$344,664
California	\$316,908
Massachusetts	\$252,632
District of Columbia	\$248,220
Connecticut	\$226,606
New Jersey	\$225,108
Washington	\$222,278
Colorado	\$221,780
Maryland	\$220,874
New York	\$211,381
Virginia	\$198,639
Oregon	\$188,778
United States	\$165,961
Nebraska	\$107,643
Ohio	\$104,696
Indiana	\$102,943
Kentucky	\$101,945
Alabama	\$101,643
Oklahoma	\$95,497
West Virginia	\$94,398
Arkansas	\$90,177
Mississippi	\$88,498

ACS 2016: Housing

- The ratio of average property value to average total earnings provides a crude measure of housing affordability.
- California has some of the country's least affordable housing. Affordability issues must be particularly severe for lower income groups.

Ratio of Average Property Values to Average Total Earnings By State (Avg. Property Value/Avg. Total Earnings)	
<u>Highest Ratios</u>	
Hawaii	7.5
California	6.0
Colorado	4.6
Massachusetts	4.5
Utah	4.4
Oregon	4.4
Washington	4.4
Montana	4.2
Wyoming	4.0
Maryland	3.9
New York	3.9
Connecticut	3.9
United States	3.6

<u>Lowest Ratios</u>	
Texas	2.6
Kansas	2.6
Nebraska	2.6
Michigan	2.6
Kentucky	2.6
Louisiana	2.6
Alabama	2.5
Indiana	2.5
West Virginia	2.5
Ohio	2.5
Mississippi	2.4
Arkansas	2.3
Oklahoma	2.3

ACS 2016: Housing

- Not surprisingly, California has the lowest home ownership rate and the highest rental rate among states (District of Columbia excluded).

Home Ownership Rates: Share of Working Age Population That Lives in Own Home	
Maine	76.3%
West Virginia	75.3%
Minnesota	75.3%
Iowa	74.5%
Vermont	74.2%
Michigan	74.1%
New Hampshire	73.8%
Delaware	73.1%
Pennsylvania	72.9%
Utah	72.7%
United States	66.6%
Arizona	65.6%
Texas	65.6%
Georgia	65.1%
Oregon	64.7%
Rhode Island	63.1%
Hawaii	61.6%
Nevada	58.2%
New York	57.3%
California	56.7%
District of Columbia	42.9%

Share of Working Age Population That Lives In Rented Home	
District of Columbia	54.9%
California	42.1%
New York	41.2%
Nevada	40.9%
Hawaii	36.1%
Rhode Island	35.7%
Oregon	33.8%
Georgia	33.3%
Washington	32.9%
Arizona	32.7%
Texas	32.7%
United States	31.8%
Wyoming	25.2%
Alabama	24.8%
New Hampshire	24.8%
Michigan	24.7%
Vermont	24.4%
Iowa	24.0%
Minnesota	23.6%
Maine	22.3%
West Virginia	20.9%

ACS 2016: Housing

- California has among the highest housing costs in the nation. Many economists consider high housing costs and a lack of affordable housing as the potential Achilles heel of the California economy. At what point are lower skilled and lower income priced out of the labor market?

Average Monthly Rent By State	
Hawaii	\$1,613
District of Columbia	\$1,531
California	\$1,423
New York	\$1,278
New Jersey	\$1,261
Maryland	\$1,252
Massachusetts	\$1,226
Alaska	\$1,197
Colorado	\$1,170
Virginia	\$1,163
Washington	\$1,159
United States	\$1,025
Ohio	\$695
Indiana	\$688
Missouri	\$681
Oklahoma	\$662
South Dakota	\$655
Alabama	\$629
Mississippi	\$628
Kentucky	\$616
Arkansas	\$594
West Virginia	\$590

Average Monthly Mortgage Payments By State	
District of Columbia	\$2,168
Hawaii	\$1,993
New Jersey	\$1,956
California	\$1,850
New York	\$1,753
Connecticut	\$1,742
Massachusetts	\$1,713
Maryland	\$1,707
Virginia	\$1,574
Washington	\$1,526
Alaska	\$1,485
United States	\$1,332
South Carolina	\$1,011
Iowa	\$985
Ohio	\$982
Michigan	\$977
Alabama	\$936
Kentucky	\$910
Mississippi	\$902
Indiana	\$874
Arkansas	\$865
West Virginia	\$797

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